

**VERMONT RAIL COUNCIL
MINUTES OF MEETING
NATIONAL LIFE BUILDING
MONTPELIER, VERMONT
August 6, 2008**

MEMBERS PRESENT: Robert Ide for Sam Lewis (Chairman)

Dave Allaire	Rick Moulton
Dave Wulfson	Rep. Bill Aswad
John Cook	C.J. "Mike" Coates
George Barrett	Charlie Moore
Rep. Sonny Audette	Byron Hathorn
Chris Andreasson	Chris Martel
Charles Hunter	Carl Fowler

OTHERS PRESENT: Charlie Miller, VTrans Rail Operations Section
Nancy Rice, VTrans Rail Operations Section
Scott Bascom, VTrans
J. Jeffrey Munger, Senator Sanders Office
Chris Parker, Trainriders Northeast
Paul Craven, Craven Mgmt.
Scott Howland, Amtrak
Roger Thompson, FHWA
Crystal Bousquet, Otis & Brooks

1. Call to Order & Approval of Minutes

Robert Ide called the meeting to order at 1 p.m. and explained Sam Lewis is out checking road damage from the recent heavy rains. Mr. Ide extended thanks to Scott Howland with Amtrak for the educational trip on the train from Washington, D.C. to White River Jct. Board members and attendees introduced themselves.

Approval of Minutes (6/10/08)

MOTION by George Barrett, SECOND by Mike Coates, to approve the 6/10/08 minutes as written. VOTING: unanimous; motion carried.

2. Review of Executive Order #13-03

Mike Coates explained he wanted to review the Executive Order because it seems the Rail Council has not had its full duties executed in terms of the legislature and the public relative to the Executive Order. Mr. Coates said he feels the Rail Council and VTrans are not being proactive in terms of the Executive Order. Robert Ide assured he wants to see the Rail Council have a more active role in the next legislative session. The legislature is attentive to VTrans, but wants to hear from members of the public as well. The broader the representation on a subject the better. As well, the exchange is better in the question and answer period. Rep. Audette confirmed there have been instances where what was given to the legislature (relative to rail) is different from what happened at the Rail

Council meeting, and that is a problem. Both the House and Senate transportation committees need to have the facts. Mr. Ide agreed with presenting the facts, adding trying to do anything other than factual builds problems. Dave Allaire stated in his experience the Rail Council received the greatest weight by the transportation committee compared to the other councils. It is good to hear Mr. Ide's position, continued Mr. Allaire, noting the legislators listened to the information, but it is not certain this had a lot of influence in the end. Mike Coates suggested Rail Council meetings be held in different locations throughout the state to promote greater awareness of rail and allow the public in other areas of the state to have input. Rick Moulton expressed concern about expected turnout for a regular meeting as opposed to a public hearing type of meeting. Also, the issues discussed by the Rail Council are very specific. Charlie Moore felt the idea of holding meetings throughout the state has merit and should be tested, perhaps beginning in St. Albans. Rick Moulton interjected the issues of the area is what will end up being discussed. Sonny Audette suggested legislators from the area where the meeting is held be invited to attend.

3. Review Membership of Subcommittees

Dave Wulfson explained now that the membership of the Rail Council is set there may be individuals who want to also serve on the subcommittees. Copies of the charge of the Passenger Rail Subcommittee were made available. It was noted the same should be documented for the Rail Infrastructure Subcommittee. Mr. Ide will contact members of each subcommittee to determine interest in continuing to serve or be replaced. John Cook inquired about having the same people serve on both subcommittees rather than on just one committee thereby allowing input from more people and spreading the work load. Charles Hunter pointed out there are individuals familiar with the rail industry on both subcommittees due to the nature of the business handled by the committees. Also, the committee meetings are held back-to-back. Carl Fowler suggested the membership number could be increased if people are interested in serving and the committee can benefit from their service. The meetings have been very worthwhile to date. Charlie Moore suggested the committee number remain at five members, but anyone is invited to attend meetings to provide input. The committee will report to the Rail Council. Dave Wulfson observed with all the visitors attending the meetings and providing input, the subcommittee was not able to fulfill the charge. Nancy Rice suggested a vision, mission and goals be established by the subcommittees to help maintain a focus.

4. Amtrak

Revenue and ridership data for FY07-08 were provided to the Rail Council. Results for FY08 show a consistent increase in ridership over FY07. Carl Fowler asked if improved revenues are offset by expenses with Amtrak. Charlie Miller stated the current contract is a fixed cost contract. Next year's contract which is currently under negotiation will be different due to revenue and diesel fuel costs. Mr. Fowler commented the Executive Order promotes looking at marketing opportunities with the train. Regarding interconnectivity of the Vermonter to the Boston market, there is no direct bus service from the Amtrak station in White River Jct. south to Boston. Mr. Fowler suggested exploring a joint ticketing agreement with the bus company (Peter Pan) to make a stop at the Amtrak station in Springfield. The ticket could be booked through Amtrak. Train

service needs to be better integrated with the bus system, stressed Mr. Fowler. Charlie Miller noted the “knowledge corridor” study has begun. Representatives from Peter Pan bus service were at the stakeholder meeting. There is animosity and perceived lack of cooperation so starting discussions with Amtrak is a good idea.

Scott Howland, Amtrak, expressed appreciation to New England Central Railroad for their part in the on-time performance of Amtrak in Vermont since July (there have been no delays). Ridership is up likely due to positive on-time performance. The Rail Council received on-time performance data through June 30th, 2008 which did not reflect current performance (no delays).

Charlie Miller announced the “Music on the Train” event in Brattleboro on August 8-11, 2008 offering concerts and dinner as noted in the *Boston Globe*. The event is facilitated by Sarah Coffey.

Carl Fowler mentioned the interest by Lt. Governor Dubie in reinstating service to Montreal. Train ridership decreased when bus service was lost to Montreal. In California there is state support of charter bus service. VTrans needs to look at a similar arrangement in Vermont with Vermont Transit or other bus services, urged Mr. Fowler, because ridership on the Vermonter would likely increase and pay for the bus service. Chris Andreasson noted the early departure in Montreal is what caused the bus service to end (not enough riders). Getting through the border without significant delay is also an issue. There was discussion of bringing Amtrak into Montreal. Cost is a factor. The cost was \$1.5 million from St. Albans to Montreal and \$1 million from St. Albans to New London. The Railway Labor Act negatively impacts having passenger train service to Montreal. There was further discussion of potential opportunity with the marriage of a charter bus service and Amtrak to serve the Montreal market. Mr. Fowler spoke in support of investigating the re-establishment of the Silver Meteor service which departed at 7:30 p.m. The Passenger Rail Subcommittee and VTrans staff will explore the idea further. Dave Wulfson interjected keeping what is there now for Amtrak service due to tight budget constraints must be kept in mind.

5. Project Update

The Rail Council received a progress report on projects. Mr. Ide assured staff is handling the work load while Mr. Hosking is on vacation. Jeff Munger questioned the business sense of allowing the individual in charge of rail projects to take a vacation in the middle of the very short construction period in Vermont.

Carl Fowler asked about the Rutland/Manchester tie project. Dave Wulfson stated with the project completion rail speed is up to 10 mph and passenger trains can use the track. Mr. Fowler asked about the track on the western corridor and travel time for passenger trains. It was estimated approximately 25-30 minutes will be gained when the track is brought to Class 3 level.

Mike Coates asked about load rating work. Charlie Miller stated load rating is contracted through Project Development and \$1 million will be spent on the effort (60 bridges).

Dave Wulfson suggested Doug Zorzi provide a status report on slab projects, bearing projects, and bridge load ratings. Staff will have a report at the next Rail Council meeting. George Barrett asked why bridges are separate from rail projects. Mr. Wulfson explained bridge engineering is done in the Rail Division then the project engineering is moved under general transportation. Chris Martel stated rail bridges should remain under the Rail Division. Robert Ide assured this is the plan. The goal is to build the Rail Division into a robust department.

Regarding the budget, Rob Ide warned this will be a difficult year due to rescissions in expenditures to meet the decrease in revenues. Also, the cost of salt and fuel is up. All budget items will be reviewed. Mike Coates asked if there have been any attempts to be innovative in order to utilize federal funding designated for rail and highway in Vermont. Jeff Munger pointed out \$200 million was secured for highway, bridge, rail and aviation in Vermont, and \$49 million has been obligated by the state leaving a balance of \$150 million in federal funds. State match is needed. Mike Coates recalled GRIP offered matching funds for \$30 million in rail work. Mr. Ide assured great effort will be put forth to retain funds by being creative and using every resource available. Mike Coates urged moving funds from FHWA to FRA to provide more leeway on the use of the money. George Barrett asked how much of the \$49 million was spent on rail projects. Charlie Miller estimated nearly \$5 million with \$2 million spent on the Bellows Falls Tunnel, \$200,000 on the Green Mountain Railroad, and \$2 million on the St. Lawrence & Atlantic Railroad. The allocation for rail out of the \$200 million in federal funds is \$50 million. Rep. Aswad questioned why the state will not bond to access federal money and have users of the facilities pay for the bond. VTrans could bond for \$30 million and do projects now at a cost less than in the future. The Governor is supportive of some bonding. Rep. Audette pointed out \$2.691 million was appropriated and not spent by the Rail Division (\$1 million carried over), and this appears to be a pattern for the division. Rob Ide stated the carry over of expenditures was done in order to meet budget targets for VTrans. Mr. Ide said he expects to be more aggressive in committing money to projects. Charlie Miller stated a list of projects was presented to the legislature. There were no rail projects on the list of projects for the bond money. Dave Allaire echoed support of bonding and suggested the Rail Council send a letter in support of investigating bonding in order to access federal funding. Rep. Aswad calculated \$150 million remaining in federal funds plus \$30 million in matching state funds means \$180 million pumped into the economy and that is a stimulus package.

MOTION by Mike Coates, SECOND by Carl Fowler, that the Rail Council is in favor of bonding to utilize existing federal funds for rail infrastructure in Vermont before the next reauthorization.

DISCUSSION: Jeff Munger reported \$30 million was authorized, but \$26 million was appropriated, and the longer the delay, the less funds available. There was mention of the need to spend/obligate funds in the next three or four years, and that the proposal should be presented to the legislature in the upcoming session for FY09-10. The bonding would be for the 20% state matching funds on \$25 million in federal funding. Charlie Miller suggested the Rail Council learn more about what is involved in the bonding process

relative to the capacity to bond and pay back of the money as well as the credit ratio issue. A representative from the Treasurer's Office or Joint Fiscal could present to the Council. Paul Craven asked what the rail industry can do (i.e. creative ideas for public/private partnership) before addressing the legislature. Mike Coates commented bonding will provide an avenue to secure some funds so projects can be done.

CALL THE QUESTION by Byron Hathorn. Discussion ceased.

VOTING: unanimous; motion carried.

Budget information from Neil Schickner (Joint Fiscal Office) was provided to the Rail Council by Rep. Sonny Audette. There was continued discussion of bonding for rail projects. Dave Wulfson pointed out rail is a 100 year investment. Regarding carry over, there will always be delays due to weather, material orders, and such. Robert Ide acknowledged the Rail Division needs to be fully committed and under contract so projects can proceed forward.

6. NECR Report: Alburgh Trestle & Burlington Tunnel

Paul Craven reviewed work flowcharts for the Burlington Tunnel and the Alburgh Trestle. The FRA assisted greatly in moving the Burlington Tunnel project forward, stated Mr. Craven. All work in the tunnel will be in the railroad right-of-way. Staging is at the Vermont Railway rail yard in Burlington. Necessary work on the tunnel to make the tunnel safe will be done. Repairs on the tunnel are estimated to last 20 years. The Alburgh trestle is a two phase project. All work will be in the right-of-way. Phase one will rebuild the trestle structure which will allow speed on the track to increase. The load rating will be 286,000 pounds. The life of the work is anticipated to be 20 years. Changes to the causeway will impact water and ice flows and this will need to be addressed. Also, there may be other items that need improvement and remaining funds from the trestle project will be used.

Jeff Munger noted the federal committee that secured the funds (Senator Jeffords and Senator Sanders were/are members) is named "Environment and Public Works Committee" so environment is a critical consideration. Charlie Moore stated one locomotive and fuel falling into the lake will negatively impact the environment so the trestle project needs to be done.

Scott Howland asked if the trestle is open to boats. Charles Hunter stated the dispatcher can remotely (via computer) open and close the trestle for boats.

7. Passenger Rail Subcommittee Report

Charlie Moore reported the Passenger Rail Subcommittee met on July 1, 2008 and discussed DMUs, increasing truck weight on highways and the impact on the rail industry (nationally short lines will lose 17% of their business), using the Castleton train station for the Ethan Allen Express stop rather than Fair Haven, Amtrak reauthorization, connection to Montreal (Lt. Gov. Dubie advised talking to the Canadian Premier first), and having railroad public relations personnel work with VTrans. The next meeting of the subcommittee is September 2, 2008 at 10 a.m.

MOTION by Dave Wulfson, SECOND by Mike Coates, that the Passenger Rail Subcommittee recommends the Rail Council suggest moving the train stop on the Ethan Allen Express service from Fair Haven to the Castleton station.

DISCUSSION: Charlie Miller said a schedule change will be done. Mike Coates commented changing the station is a real plus for increasing ridership on the line. The stop in Fair Haven is difficult to access. At Castleton there is the Route 30 connection. There were no further comments.

VOTING: unanimous; motion carried.

Carl Fowler observed Amtrak appears to be shifting more cost onto the states. The 80/20 cost share needs to be specified clearly. Charlie Miller explained capital projects use the 80/20 ratio. Direct costs are identifiable. There was further discussion of cost shifting by Amtrak. There was also mention of ticketing. The funding for ticket machines was removed from the budget. There is funding for marketing of Amtrak service only. If Vermont moves forward with the DMU project, ticket machines will be included. There was agreement securing train tickets needs to be made easier (i.e. “e-tickets”).

Jeff Munger reported the Amtrak reauthorization bill has gone to conference. The bill had broad support in the House and Senate, and there is optimism the bill will be passed.

Scott Bascom briefly reported on the high speed rail project from Boston to Montreal. An alternative route that uses existing rail and excludes New Hampshire is being researched (i.e. an interior high speed rail plan for the region). The network of routes from Boston to Albany and from the coast to White River Jct. to Montreal is being reviewed.

8. Rail Infrastructure Subcommittee

Mike Coates reported the Rail Infrastructure Subcommittee met on July 1, 2008 and discussed the project list, rail negotiations between NECR and Vermont Railway regarding 286,000 pound priority on the southern section (Hoosick Falls), support for state funding of rail projects, moving funds from FHWA to FRA to provide latitude in usage, and the status of the Middlebury rail spur. The next meeting of the subcommittee is September 2, 2008 at 10 a.m.

Charlie Miller reported the EIS document for the Middlebury rail spur is being finalized and will be released by the first of September. There will be a 45 day comment period following which the FHWA will issue a Record of Decision.

9. Other Business

DMU

Charlie Miller reported the price of the DMU cars has been discussed with the manufacturer. The FRA response on the RIF funds is positive. An analyst in the Governor’s Office is reviewing the information. Amtrak will not allow use of the \$2 million in marketing funds for engineering. December 1st is the deadline for the guarantee of funding. A price quote extension has been request for December 1st. Carl Fowler asked if there are any RDC cars that can be restored and used to test the routes, and what

the cost would be to do this. Dave Wulfson stated available RDC cars are not in good condition. Charlie Moore asked about cancelled orders by Colorado Railcar. Charlie Miller confirmed the company is in dire financial straits because the company was depending on the order from Vermont to leverage other orders. Presently in the United States there is no one in the industry manufacturing FRA compliant cars and there is no availability of rail cars. There are only two rail car manufacturers in the country: Colorado Railcar and a Japanese owned company. Mr. Miller will provide the Rail Council with reviews of the rail cars sent to Portland, Oregon for the commuter rail system there. Paul Craven suggested the Vermont order “piggy-back” another order. Mr. Miller stated the orders are for EMU cars which Vermont cannot use.

Twin State and Sale of Gilman Paper Mill

The line from Portland, Maine to St. Johnsbury is intact. Chris Martel urged maintaining the line for rail use rather than converting to trail use. Dave Wulfson echoed support for rail service on the line if there is money available to do this. Mike Coates pointed out the Rail Council is on record in support of the rail line. It was noted there are four parties involved with the Twin State rail line. Sonny Audette stated the House Transportation Committee opposed rail to trail conversion.

Rutland Rail Yard

Work continues on the EIS. A complete draft document is expected in the fall. The final EIS is anticipated within eight months and the Record of Decision by summer, 2009. There have been no changes to the project.

Quiet Zone

There has been no action to date. A meeting with South Burlington is scheduled. The agreement was when the Champlain Flyer service ceased the structure at Bartletts Bay (station) will be removed. The slab will remain.

10. Next Meeting/Agenda Items

Next Meeting: October 1, 2008, National Life Building, Montpelier, 1 p.m. – 4 p.m.

11. Adjournment

MOTION by George Barrett, SECOND by Mike Coates, to adjourn the meeting.

VOTING: unanimous; motion carried.

The meeting was adjourned at 3:55 p.m.

RScty: M.E.Riordan

“To Do” List from 8/6/08 Rail Council Meeting:

1. Mr. Ide will contact members of each subcommittee to determine interest in continuing to serve or be replaced.
2. Re: potential opportunity with the marriage of a charter bus service and Amtrak to serve the Montreal market, the Passenger Rail Subcommittee and VTrans staff will explore the idea further.
3. Dave Wulfson suggested Doug Zorzi provide a status report on slab projects, bearing projects, and bridge load ratings. Staff will have a report at the next Rail Council meeting.
4. Mr. Miller will provide the Rail Council with reviews of the rail cars sent to Portland, Oregon for the commuter rail system there.